

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Monday, January 31, 2022

**TIME:** 1:30 P.M.

**PLACE:** Room EW41

**MEMBERS:** Chairman Dixon, Vice Chairman Furniss, Representatives Crane, Palmer, Barbieri, Armstrong, DeMordaunt, Clow, Andrus, Nichols, Adams, Bundy, Ferch, Galloway, Mitchell, Shepherd, Berch, Green

**ABSENT/  
EXCUSED:** None

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.

**Chairman Dixon** called the meeting to order at 1:30 p.m.

**MOTION:** **Rep. Berch** made a motion to approve the committee meeting minutes from January 25, 2022. **Motion carried by voice vote.**

**DOCKET NO. 18-0000-2100F:** **Dean Cameron**, Director, Idaho Department of Insurance (DOI) presented **Docket No. 18-0000-2100F**. He stated there are two (2) rule chapters in this omnibus action. Both are existing rules, previously reviewed and adopted by the legislature. There are no changes to either fee rule.

**MOTION:** **Rep. Bundy** made a motion to approve **Docket No. 18-0000-2100F**.  
During committee discussion, **Rep. Crane** declared Rule 80, stating a potential conflict.

**VOTE ON MOTION:** **Motion carried by voice vote.**

**DOCKET NO. 18-0000-2100:** **Dir. Cameron** presented **Docket No. 18-0000-2100** which includes thirty-two (32) chapters, all previously reviewed and adopted by the legislature. He stated there are no changes from what was previously adopted, except for the rules specifically identified as part of the department's ZBR review. Mr. Cameron explained their approach to the omnibus started with the Red Tape Reduction Act. Rules were decreased by a net 24 chapters and the total word count was reduced by 44%. Multiple outreach meetings were held and the Rules were mostly supported by the industry.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 18-0000-2100**. **Motion carried by voice vote.**

**DOCKET NO. 18-0201-2101:** **Dir. Cameron** presented **Docket No. 18-0201-2101** - Insurance Rates and Credit Rating. The change asks carriers to make a self attestation that they are compliant with the Rules set forth by the Idaho Department of Insurance (DOI). The DOI's rule and rate review had become complicated and cumbersome and was considered in conflict with the statute by the Attorney General's staff. Audits may still be done by the DOI if there are suspected problems.

**MOTION:** **Rep. Furniss** made a motion to approved **Docket No. 18-0201-2101**.  
During committee discussion, **Rep. Berch** stated discomfort in approving this docket because it appears to be a step back in oversight.

**VOTE ON MOTION:** **Motion carried by voice vote. Rep. Berch** requested to be recorded as voting NAY.

**DOCKET NO. 18-0305-2101:** **Dir. Cameron** presented **Docket No. 18-0305-2101** Credit Life and Credit Disability - There were no substantive changes, only removal of repetitive language.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 18-0305-2101. Motion carried by voice vote.**

**DOCKET NO. 18-0401-2101:** **Dir. Cameron** presented **Docket No. 18-0401-2101** Health Carrier External Review - There were no substantive changes, only removal of repetitive language.

In response to committee questions, **Dir. Cameron** clarified there are approximately 60 external reviews annually brought by consumers and carriers. The majority of complaints are brought by consumers. Close to 50% of those cases get overturned. He stated authorized representatives may represent a consumer, such as a provider or attorney. There are existing provisions in Idaho Code that allow for this to happen. He also clarified, "Banned Acts", are already in state statute, therefore do not need to be repeated in the Rules.

**Dir. Cameron** explained health insurance companies are required to keep attestations of self examination and the DOI reserves the right to conduct reviews at any time. This approach has not caused an increase in consumer complaints. Self review by carriers is new to the industry, in that it requires companies to provide the attestation. While the approach has shifted, they still set their own rates.

An employee has cause for action under the Employee Retirement Income Security Act of 1974 (ERISA). **Dir. Cameron** stated under Title 41 Chapter 59, there is no inference that DOI has authority over non-governmental agencies. In relation to educators, teachers and school employees may file for an external review. DOI does not deny anyone in filing a redress.

**Wes Drexler**, Deputy Director, DOI clarified an authorized representative, including a health care provider, may represent in individual. In Idaho Code, 41-5903 Chapter 59 of Title 41- External Review Statute, there is a definition chapter that defines a covered person includes an authorized representative. An individual has the right to have a health care provider represent them.

**MOTION:** **Rep. Ferch** made a motion to approve **Docket No. 18-0401-2101. Motion carried by voice vote.**

**DOCKET NO. 18-0402-2101:** **Dir. Cameron** presented **Docket No. 18-0402-2101** Complications of Pregnancy, Newborn, and Adopted Children Coverage - There were no substantive changes. Two previous rules were combined, including Complications of Pregnancy and Uniform Coverage for Newborn and Newly Adopted Children. Repetitive language was also removed.

**Rep. Furniss** and **Chairman Dixon** declared **Rule 80.**

In response to committee questions, **Dir. Cameron** said much of the existing language comes from terminology used by insurance carriers. It does not speak specifically to the effect or lack of effect of any vaccine. By nature of the Rule, all information about inclusions or exclusions must be included in a contract.

**Dir. Cameron** explained missed abortions occur form involuntary actions. Examples include an empty gestational sac, a fetus without a heartbeat before 20 weeks that has experienced embryologic death, without expulsion, or a stillbirth. Missed abortions are required to be covered by insurance.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 18-0402-2101. Motion carried by voice vote.**

**DOCKET NO. 18-0407-2101:** **Dir. Cameron** presented **Docket No. 18-0407-2101** Restrictions on Discretionary Clauses in Health Insurance Contracts - There were no substantive changes, only removal of repetitive language.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket 18-0407-2101**. **Motion carried by voice vote.**

**DOCKET NO. 18-0410-2101:** **Dir. Cameron** presented **Docket No. 18-0410-2101** Medicare Supplement Insurance Standards - This Rule was created due to the passage of **S 1143** and was not included in the reduction act because new language had to be adopted. One purpose of **S 1143** was to eliminate dead-pooling, when a carrier comes into the market, very competitively, closes a block of business after a period of time and comes back into the market with a new company and product. When this occurs to increase profits. Additionally, the statute takes health insurance plans to a community rating rather than "attained age" or "issue age" ratings. **S 1143** also allows consumers to shop for plans once a year, at their birth date. They have sixty-three (63) days to switch plans. **Dir. Cameron** said DOI also eliminated outdated and unnecessary provisions in this docket..

In response to committee questions, **Dir. Cameron** indicated companies who leave the state are required, by law, to continue providing service to their subscribers. He said rates are still significantly lower for Medicare but the reduction in rates decrease with age. The DOI is providing consumer alerts to work against television ads and others who are preying on senior citizens and vulnerable populations. Medicare advantage plans are not available everywhere in Idaho and there are approximately two dozen who offer medicare supplements.

**MOTION:** **Rep. Furniss** made a motion to approve **Docket No. 18-0410-2101**. **Motion carried by voice vote.**

**DOCKET NO. 18-0604-2101:** **Dir. Cameron** presented **Docket No. 18-0604-2101** Continuing Education - There were no substantive changes, just removal of repetitive language.

**MOTION:** **Rep. Clow** made a motion to approve **Docket No. 18-0604-2101**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:34 p.m.

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Representative Dixon  
Chair

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Kelly Staskey  
Secretary